

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

March 15, 2004  
8:00 p.m.

Council Chambers  
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak, Davidson, Degginger, and Lee

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:04 p.m. by Mayor Marshall, who presided.

2. Roll Call, Flag Salute

Upon roll call by the City Clerk, all Councilmembers were present. Deputy Mayor Noble led the flag salute.

Mayor Marshall welcomed the Boy Scouts in the audience.

(a) Digital Government Award for MyBuildingPermit.com

Mike Brennan, Building Director, explained that MyBuildingPermit.com is a joint effort of nine cities which provides online permitting services for all of the cities with one transaction. More than 30 percent of Bellevue's eligible permits are now issued through the site, which is the only one of its kind in the country. Mr. Brennan thanked John Backman, project manager for the online partnership.

Lew McMurren, Director of Public and Government Affairs for WSA (Washington Software Association), announced that Bellevue and the eCityGov Alliance were presented the Outstanding Contribution to Digital Government award on February 26. The award recognizes the creative use of technology and an innovative approach to solving a problem. Mr. McMurren congratulated Eastside cities for providing a business-friendly environment.

Councilmember Degginger said he is proud of the overall enhancements in Development Services. He praised Mr. Backman and Mr. Brennan for their efforts. Councilmember Chelminiak said the web site is helpful for both contractors and homeowners.

3. Communications: Written and Oral

Shannon Boldizar, Bellevue Chamber of Commerce, noted her letter to Council provided in tonight's desk packet. She thanked Council for the opportunity to work with Deputy City Manager Ed Oberg and Jocelyn Mathiasen regarding the City's contracting policies. Ms. Boldizar said three measures will be implemented soon to enhance access to the City's contracting process: 1) link Chamber and City web sites to connect businesses to contracting opportunities, 2) host a joint forum to help businesses learn about the contracting process, and 3) list contracting opportunities in the Chamber's monthly newsletter. She expressed support for the recommendations outlined in the Study Session earlier in the evening. In particular, Ms. Boldizar commended the City for the recommendation to allow vendor lists to be open to all providers and offering providers the opportunity to be added at any time. Two remaining issues of concern are insurance requirements and request for proposal (RFP) document preparation.

4. Reports of Community Councils, Boards and Commissions: None.

5. Report of the City Manager:

(a) Utilities Customer Information System

City Manager Steve Sarkozy asked staff to provide an update on the Utilities Customer Information System. Nav Ota, Utilities Assistant Director, said the new billing system was implemented on March 1 – on time and 20 percent under budget. The system provides new capabilities not previously available including the ability to provide customers with a history of their utilities usage. Next steps include online customer billing and payment as early as next year, as well as recruiting other jurisdictions to utilize the system.

Responding to Mayor Marshall, Mr. Sarkozy clarified that costs are shared by cities participating in joint technology and Internet projects.

(b) Amendment to 1976 Memorandum of Agreement for I-90

Transportation Director Goran Sparrman recalled that when Sound Transit was created, one goal was to provide two-way, 24-hour HOV accessibility across the I-90 bridge in both directions. Decisions regarding the operation of I-90 have been guided by the 1976 memorandum of agreement (MOA) between Bellevue, King County, Mercer Island, Seattle and WSDOT. In July 2003, the parties expressed support for Alternative R8A as the first phase of the ultimate configuration for the I-90 bridge. Staff from all of the jurisdictions have been working to prepare an amendment to the 1976 MOA that reflects the consensus reached in July 2003.

Diane Carlson, Director of Intergovernmental Relations, referred to page 5-11 of the Council packet for the draft amendment to the 1976 MOA. Sound Transit will consider the amendment when they discuss the preferred alternative in June.

Responding to Councilmember Chelminiak, Mr. Sparrman and Ms. Carlson explained that the terms "light rail, monorail, or a substantially equivalent system" were agreed upon for the MOA

after careful discussion by the parties and are therefore used again in the amendment. This language includes the possibility of a bus rapid transit (BRT) system, which has been the subject of ongoing discussions.

Deputy Mayor Noble expressed support for the amendment and encouraged keeping the language consistent with the original agreement and the July 2003 letters by the parties.

Mr. Lee feels BRT and substantially equivalent systems, as well as innovative technologies, should all be considered as transportation options for I-90. Mayor Marshall confirmed the language is intended to remain open to BRT as well as the consideration of new technologies to be developed in the future.

In reference to item 7 listed at the end of the amendment, Dr. Davidson discouraged giving special consideration to any one jurisdiction and encouraged all parties to think and plan regionally.

Based on her daily experience with labor contracts and negotiations, Councilmember Balducci feels it is best to stick with language already agreed to by the parties rather than causing distrust or potentially opening discussions to more issues.

(c) Proposed Metro Rate Increase for Sewer Service

Ms. Otal noted the memo outlining proposed 2005 rate increases for wastewater treatment and sewer capacity charges from King County/METRO. The last increase was adopted in 2002 for three years.

Dr. Davidson expressed concern that King County/METRO previously underestimated costs for Brightwater treatment plant and its capital investment program. He cautioned that rates will continue to escalate into the future.

Dr. Davidson suggested drafting a letter to King County Executive Ron Sims encouraging him to implement appropriate financial policies and controls to better manage future rates. Mayor Marshall concurred and suggested the letter should request justification for the rate increase and recommend cost control policies. She further suggested that Bellevue's utility bills provide a King County phone number for customers who have questions about the rate increase.

Mr. Degginger questioned the fairness of the capacity charge which would apply to a person moving from an existing house to a new house in Bellevue and nearly double the person's rates for 10 years. The capacity charge will likely discourage homeowners from upgrading their septic systems, which has environmental implications as well.

Ms. Otal said the capacity charges are based on the concept of growth paying for growth. Mr. Degginger replied that the doubling of rates reflects more than just growth paying for growth and effectively results in growth paying for capacity, combined sewer overflows, and other aspects that benefit the overall system and all customers.

Mayor Marshall shares Mr. Degginger's concern about the compounding rate and capacity charge increases. Mr. Chelminiak commented that the rate increases present yet another challenge in terms of housing affordability. Mr. Lee expressed support for sending a letter to King County requesting justification of the rate increase.

Ms. Otal noted the rate increase is largely driven by King County's capital program and newly issued debt financing.

Dr. Davidson noted the rate impact on the business community, and Mayor Marshall suggested copying Bellevue Chamber of Commerce on the City's letter to King County.

6. Council Business

[Council reports regarding meetings and community involvement were provided at the earlier Study Session.]

- Deputy Mayor Noble moved to suspend the rules for the April 19 Council meeting to conduct a 4-hour Study Session instead of the usual 2-hour Study Session/2-hour Regular Session format. Mr. Degginger seconded the motion.
- The motion to suspend the rules for the April 19 Council meeting to conduct a 4-hour Study Session instead of the usual 2-hour Study Session/2-hour Regular Session format carried by a vote of 7-0.

7. Approval of the Agenda

- Deputy Mayor Noble moved to approve the agenda, and Mr. Chelminiak seconded the motion.
- The motion to approve the agenda carried by a vote of 7-0.

8. Consent Calendar

Mr. Sarkozy explained for the public that the Consent Calendar is provided to approve routine and/or administrative actions in an efficient manner. Councilmembers are allowed, however, to pull items for specific discussion or comment.

Mr. Sarkozy noted that Agenda Item 8(h) regarding the NE 29<sup>th</sup> Place/NE 24<sup>th</sup> Street project reflects a motion to award a bid with a cost significantly below the engineer's estimate. This project fulfills in part the goals of the City's BROTS (Bel-Red Overlake Transportation Study) Interlocal Agreement with the City of Redmond. Agenda Item 8(i) is a motion to award a bid to complete annual street overlays as well as curb, gutter, and sidewalk rehabilitation in specific neighborhoods. Agenda Item 8(j) provides additional engineering work for Kamber Road improvements. Agenda Item 8(k) extends Olympic Pipe Line Company's franchise agreement with the City until March 26, 2005.

Mayor Marshall noted requests from Councilmembers to pull items 8(f) and 8(h)(2).

- ➡ Deputy Mayor Noble moved to approve the Consent Calendar, as amended, and Dr. Davidson seconded the motion.
- ➡ The motion to approve the amended Consent Calendar carried by a vote of 7-0, and the following items were approved:
  - (a) Minutes of January 29-31, 2004 Council Retreat  
Minutes of February 23, 2004 Extended Study Session  
Minutes of March 1, 2004 Study Session  
Minutes of March 1, 2004 Regular Session
  - (b) Resolution No. 6966 authorizing execution of a 2004-2006 labor agreement with Public, Professional and Office-Clerical Employees and Drivers Local Union No. 763 representing Utilities and Parks employees (Teamsters) effective January 1, 2004, through December 31, 2006.
  - (c) Resolution No. 6967 authorizing the City Manager to execute an interlocal agreement with the City of Kirkland, University of Washington, and the Lake Washington School District, amending the Interlocal Agreement – General Terms and Conditions for sharing fiber optic installation projects by creating an addendum which addresses installing fiber north/south through Kirkland and reserving 14 strands of fiber for future City of Bellevue use.
  - (d) Resolution No. 6968 approving a second Amendment to the Professional Services Agreement with Graham & Dunn for legal services in the pending litigation with Newport Yacht Club, et al, and King County concerning sediment and storm water runoff in the Coal Creek basin, not to exceed \$70,000 (for a total contract amount of \$200,000). SUDS No. C03-2343Z
  - (e) Ordinance No. 5516 amending Chapter 14.50 of the Bellevue City Code by amending Section 14.50.070-Special Events Committee membership by adding a representative from the Planning and Community Development Department staff to Section 14.50.070(a) and repealing 14.50.070(c), a representative from the East King County Convention and Visitors Bureau, and adding a new Section 14.50.070(c), a representative from the Downtown business district.
  - (g) Motion to award Bid No. 0345 to construct a missing link of sidewalk along the east side of 100<sup>th</sup> Avenue NE, from NE 12<sup>th</sup> to NE 14<sup>th</sup>, to Dennis R. Craig Construction as low bidder in the amount of \$94,657. (CIP Plan No. NEP-1)
  - (h) NE 29<sup>th</sup> Place Connection Project
    - (1) Motion to award Bid No. 0404 for NE 29<sup>th</sup> Place Connection and NE 24<sup>th</sup> Street from NE 29<sup>th</sup> Place to SR 520 and associated overlays, widening,

and intersection improvements to Wilder Construction as low bidder in the amount of \$5,451,268.45. (CIP Plan No. PW-R-60 and PW-W/B-67)

- (i) Motion to award Bid No. 0401 for street overlays, curb, gutter, and sidewalk rehabilitation to Lakeside Industries in the amount of \$3,072,902.98. (CIP Plan Nos. PW-M-1, PW-M-3 and NIS-1)
- (j) Resolution No. 6971 authorizing execution of an amendment to the consultant agreement with INCA Engineers, Inc., for Phase 2B improvements to Kamber Road for a total contract amount not to exceed \$299,960. (CIP Plan No. PW-R-102 and D-71) *(Discussed with Council during March 8, 2004, City Manager's Report)*
- (k) Resolution No. 6972 granting a short-term extension to the franchise for use of the right-of-way for transportation of liquid fuel previously granted to Olympic Pipe Line Company (OPL) pursuant to Resolution No. 5275 and amending Resolution No. 5275. *(Discussed with Council during March 8, 2004, City Manager's Report. The existing franchise with OPL expires on March 26, 2004.)*
- (l) Ordinance No. 5517 authorizing execution of Amendment No. 1 to the Professional Services Agreement for the Compton Trails Retention Vault Repair project with INCA Engineers Inc. for additional engineering services in the amount of \$16,500; appropriating previously unanticipated revenues and revenue sources to the Utilities CIP Fund and increasing the budget and expenditure appropriations to the Storm Infrastructure Rehabilitation Program. (CIP Plan No. D-64, Utility Fund 4690)

Items for Council Discussion:

- (f) Resolution No. 6969 amending the contract between Berryman & Henigar, Inc., and the Department of Planning and Community Development for building plan review services to increase the contract limit to \$250,000 and the service period through 2006.

Mr. Sarkozy explained that Resolution No. 6969 relates to services associated with permit activity.

Mr. Degginger said he pulled the item because he wanted additional information from staff regarding the need for the contract services and whether efforts have been taken to obtain the best rate for the City.

Mike Brennan, Building Director, explained that the City went through a comprehensive effort in 2002 to solicit qualifications from vendors and received approximately 30 applications for plan review services and inspection services. The contracts are needed to help manage fluctuations in the City's work load. There are currently 11 contracts with firms providing a range of expertise.

- ➡ Mr. Degginger moved to approve Resolution No. 6969, and Mr. Noble seconded the motion.

Mr. Lee would like to see more information regarding work load levels. Mr. Brennan said residential permit and commercial tenant improvements activity is increasing.

- ➡ The motion to approve Resolution No. 6969 carried by a vote of 7-0.

(h) NE 29<sup>th</sup> Place Connection Project

- (2) Resolution No. 6970 authorizing execution of Amendment No. 1 to the Consultant Agreement with Jacobs Civil to provide services for revisions associated with the NE 29<sup>th</sup> Place Connection project (described above) as requested by the Washington State Department of Fisheries.

Responding to Mr. Degginger, Transportation Assistant Director David Berg said this will be the last amendment for this contract. The amendment covers work performed by the City in response to a requirement of the Washington State Department of Fisheries.

- ➡ Deputy Mayor Noble moved to approve Resolution No. 6970, and Mr. Degginger seconded the motion.

- ➡ The motion to approve Resolution No. 6970 carried by a vote of 7-0.

9. Public Hearings: None.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions: None.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:28 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich  
City Clerk  
kaw